

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name VILLAGE OF CASNOVIA	County KENT & MUSKEGON
Audit Date 6/30/04	Opinion Date 7/27/04	Date Accountant Report Submitted to State: 11/8/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:


1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Siegfried Crandall PC			
Street Address 246 East Kilgore Road		City Kalamazoo	State MI
		ZIP 49002-5599	
Accountant Signature 			Date 11/8/04

Village of Casnovia
Kent and Muskegon Counties, Michigan
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
Year ended June 30, 2004

CONTENTS

	<i>Page</i>
INDEPENDENT AUDITORS' REPORT	3
FINANCIAL STATEMENTS:	
Combined balance sheet - all fund types	4
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	5
Combined statement of revenues, expenditures, and changes in fund balances - budget and actual - general and special revenue funds	6
Combined statement of revenues, expenses, and changes in retained earnings - all proprietary fund types	7
Combined statement of cash flows - all proprietary fund types	8
Notes to the financial statements	9 - 13
SUPPLEMENTARY INFORMATION:	
Statement of revenues, expenditures, and changes in fund balance - budget and actual - General Fund	14
Combining balance sheet - special revenue funds	15
Combining statement of revenues, expenditures, and changes in fund balances - special revenue funds	16
Statement of revenues, expenditures, and changes in fund balance - budget and actual:	
Major Street Fund	17
Local Street Fund	18

INDEPENDENT AUDITORS' REPORT

Village Council
Village of Casnovia, Michigan

We have audited the accompanying financial statements of the Village of Casnovia, Michigan, as of June 30, 2004, and for the year then ended, as listed in the contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As explained in Note 1 to the financial statements, the Village has not adopted the reporting model provisions of GASB Statement No. 34, which became effective July 1, 2003. The new reporting model significantly revises the presentation of fund-basis financial statements, information contained in notes to the financial statements, and required supplementary information. The reporting model also requires government-wide financial statements to display the financial position and changes in financial position of the Village's governmental and business-type activities. It was not practicable to determine the effects of these departures on the financial statements.

In our opinion, because of the effects of the matters discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the Village of Casnovia as of June 30, 2004, or the changes in its financial position or its cash flows, where applicable, for the year then ended.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information listed in the contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Village of Casnovia, Michigan. For reasons stated in the third paragraph above, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the Village or the changes in its financial position or its cash flows, where applicable. Therefore, we do not express an opinion on the accompanying combining and individual fund financial statements.

Siegfried Crandall P.C.

July 27, 2004

FINANCIAL STATEMENTS

Village of Casnovia
COMBINED BALANCE SHEET - all fund types
June 30, 2004

ASSETS	<i>Governmental fund types</i>	
	<i>General</i>	<i>Special revenue</i>
Cash	\$ 43,123	\$ 22,219
Accounts receivable	-	-
Due from other funds	-	-
Due from other governmental units	9,580	6,435
Fixed assets (net of accumulated depreciation)	-	-
TOTAL ASSETS	<u>\$ 52,703</u>	<u>\$ 28,654</u>
LIABILITIES AND FUND EQUITY		
LIABILITIES:		
Accounts payable	\$ 553	\$ -
Accrued expenses	1,448	-
Due to other funds	-	5,564
Total liabilities	<u>2,001</u>	<u>5,564</u>
FUND EQUITY:		
Retained earnings - Unreserved, undesignated	-	-
Fund balance:		
Reserved	1,619	-
Unreserved, undesignated	49,083	23,090
Total fund equity	<u>50,702</u>	<u>23,090</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 52,703</u>	<u>\$ 28,654</u>

<i>Proprietary fund types</i>		<i>Totals</i>
<i>Enterprise</i>	<i>Internal Service</i>	<i>(memorandum only)</i>
\$ 24,153	\$ 21,651	\$ 111,146
1,158	-	1,158
-	5,564	5,564
-	-	16,015
<u>48,060</u>	<u>7,284</u>	<u>55,344</u>
<u>\$ 73,371</u>	<u>\$ 34,499</u>	<u>\$ 189,227</u>
\$ -	\$ -	\$ 553
-	-	1,448
<u>-</u>	<u>-</u>	<u>5,564</u>
-	-	7,565
<u>-</u>	<u>-</u>	<u>-</u>
73,371	34,499	107,870
-	-	1,619
<u>-</u>	<u>-</u>	<u>72,173</u>
<u>73,371</u>	<u>34,499</u>	<u>181,662</u>
<u>\$ 73,371</u>	<u>\$ 34,499</u>	<u>\$ 189,227</u>

See notes to financial statements

Village of Casnovia**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - all governmental fund types***Year ended June 30, 2004*

	<i>General</i>	<i>Special revenue</i>	<i>Totals (memorandum only)</i>
REVENUES:			
Taxes	\$ 46,133	\$ -	\$ 46,133
Licenses and permits	1,364	-	1,364
State grants	29,147	37,922	67,069
Interest and rentals	3,096	106	3,202
Other	<u>2,244</u>	<u>-</u>	<u>2,244</u>
Total revenues	<u>81,984</u>	<u>38,028</u>	<u>120,012</u>
EXPENDITURES:			
Legislative	8,175	-	8,175
General government	40,583	-	40,583
Public safety	5,736	-	5,736
Public works	17,087	38,533	55,620
Capital outlay	<u>7,393</u>	<u>-</u>	<u>7,393</u>
Total expenditures	<u>78,974</u>	<u>38,533</u>	<u>117,507</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,010	(505)	2,505
FUND BALANCE - BEGINNING OF YEAR	<u>47,692</u>	<u>23,595</u>	<u>71,287</u>
FUND BALANCE - END OF YEAR	<u>\$ 50,702</u>	<u>\$ 23,090</u>	<u>\$ 73,792</u>

See notes to financial statements

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Village of Casnovia**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - *general and special revenue funds****Year ended June 30, 2004*

	<i>General</i>		
	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 40,000	\$ 46,133	\$ 6,133
Licenses and permits	573	1,364	791
State grants	35,000	29,147	(5,853)
Interest and rentals	2,200	3,096	896
Other	427	2,244	1,817
Total revenues	78,200	81,984	3,784
EXPENDITURES:			
Legislative	8,400	8,175	225
General government	46,800	40,583	6,217
Public safety	6,500	5,736	764
Public works	18,000	17,087	913
Capital outlay	8,000	7,393	607
Total expenditures	87,700	78,974	8,726
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,500)	3,010	12,510
FUND BALANCE - BEGINNING OF YEAR	47,692	47,692	-
FUND BALANCE - END OF YEAR	<u>\$ 38,192</u>	<u>\$ 50,702</u>	<u>\$ 12,510</u>

<i>Special revenue</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ -	\$ -	\$ -	\$ 40,000	\$ 46,133	\$ 6,133
-	-	-	573	1,364	791
34,800	37,922	3,122	69,800	67,069	(2,731)
115	106	(9)	2,315	3,202	887
-	-	-	427	2,244	1,817
<u>34,915</u>	<u>38,028</u>	<u>3,113</u>	<u>113,115</u>	<u>120,012</u>	<u>6,897</u>
-	-	-	8,400	8,175	225
-	-	-	46,800	40,583	6,217
-	-	-	6,500	5,736	764
46,450	38,533	7,917	64,450	55,620	8,830
-	-	-	8,000	7,393	607
<u>46,450</u>	<u>38,533</u>	<u>7,917</u>	<u>134,150</u>	<u>117,507</u>	<u>16,643</u>
(11,535)	(505)	11,030	(21,035)	2,505	23,540
<u>23,595</u>	<u>23,595</u>	<u>-</u>	<u>71,287</u>	<u>71,287</u>	<u>-</u>
<u>\$ 12,060</u>	<u>\$ 23,090</u>	<u>\$ 11,030</u>	<u>\$ 50,252</u>	<u>\$ 73,792</u>	<u>\$ 23,540</u>

See notes to financial statements

Village of Casnovia**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - all proprietary fund types***Year ended June 30, 2004*

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Totals (memorandum only)</u>
OPERATING REVENUES:			
Charges for service	\$ 14,244	\$ -	\$ 14,244
Equipment rental	<u>-</u>	<u>10,436</u>	<u>10,436</u>
Total operating revenues	<u>14,244</u>	<u>10,436</u>	<u>24,680</u>
OPERATING EXPENSES:			
Personnel	2,670	2,690	5,360
Products and services	3,483	3,169	6,652
Depreciation	<u>5,842</u>	<u>1,813</u>	<u>7,655</u>
Total operating expenses	<u>11,995</u>	<u>7,672</u>	<u>19,667</u>
OPERATING INCOME	2,249	2,764	5,013
NONOPERATING REVENUE - Interest	<u>82</u>	<u>74</u>	<u>156</u>
NET INCOME	2,331	2,838	5,169
RETAINED EARNINGS - BEGINNING OF YEAR	<u>71,040</u>	<u>31,661</u>	<u>102,701</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 73,371</u>	<u>\$ 34,499</u>	<u>\$ 107,870</u>

See notes to financial statements

Village of Casnovia**COMBINED STATEMENT OF CASH FLOWS - all proprietary fund types**

Year ended June 30, 2004

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Totals (memorandum only)</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 15,024	\$ -	\$ 15,024
Receipts from interfund services provided	-	10,490	10,490
Payments to suppliers	(3,483)	(3,168)	(6,651)
Payments to employees	<u>(2,670)</u>	<u>(2,690)</u>	<u>(5,360)</u>
Net cash provided by operating activities	8,871	4,632	13,503
Cash flows from investing activities -			
Interest received	<u>82</u>	<u>74</u>	<u>156</u>
Net increase in cash	8,953	4,706	13,659
Cash - beginning of year	<u>15,200</u>	<u>16,945</u>	<u>32,145</u>
Cash - end of year	<u>\$ 24,153</u>	<u>\$ 21,651</u>	<u>\$ 45,804</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 2,249	\$ 2,764	\$ 5,013
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	5,842	1,813	7,655
Decrease in:			
Accounts receivable	780	-	780
Due from other funds	<u>-</u>	<u>55</u>	<u>55</u>
Net cash provided by operating activities	<u>\$ 8,871</u>	<u>\$ 4,632</u>	<u>\$ 13,503</u>

See notes to financial statements

Village of Casnovia
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following is a summary of the significant accounting policies of the Village of Casnovia, Michigan (the Village). The Village has not adopted the reporting model provisions of GASB Statement No. 34, which became effective July 1, 2003, as required by U.S. generally accepted accounting principles. The new reporting model significantly revises the presentation of fund-basis financial statements, information contained in notes to the financial statements, and required supplementary information. The reporting model also requires government-wide financial statements to display the financial position and changes in financial position of the Village's governmental and business-type activities.

a) Reporting entity:

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Village (primary government). The criteria established by the GASB for determining the reporting entity include oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Village has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a blended or discretely-presented component unit in the Village's financial statements.

b) Basis of presentation:

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various separate funds are categorized and described as follows:

i) Governmental funds:

General Fund - this fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

Special revenue funds - these funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Village of Casnovia
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

b) Basis of presentation (continued):

ii) Proprietary funds:

Enterprise Fund - this fund is the Sewer Fund and is used to account for operations: (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Fund - this fund is the Motor Pool Fund and is used to account for the financing of services provided to other departments or agencies of the Village on a cost-reimbursement basis.

c) Basis of accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. The Village has elected to follow (1) GASB pronouncements through GASB 33 and (2) Financial Accounting Standards Board statements and interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement, for its proprietary funds.

d) Budgets and budgetary accounting:

The Village follows the procedure in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

Budgets for the general and special revenue funds are adopted at the activity level and are on a basis consistent with generally accepted accounting principles.

e) Receivables:

All receivables are expected to be fully collectible as presented.

Village of Casnovia
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

f) Fixed assets:

The Village has not maintained a general fixed assets account group to account for fixed assets used in governmental fund type operations.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Buildings	40 years	-
Sewer system	40 years	-
Machinery and equipment	5-15 years	5-15 years
Vehicles	5-10 years	5-10 years

g) Fund equity:

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

h) Property tax revenue recognition:

Property taxes are levied as of July 1 on property values assessed as of December 31 of the prior year. The billings are due on or before September 14, after which time the bill becomes delinquent and the Village may assess penalties and interest. Property tax revenue is recognized in the year for which taxes have been levied and become available. The Village levy date is July 1, and, accordingly, the total levy is recognized as revenue in the current year.

i) Totals (memorandum only):

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation as interfund eliminations have not been made.

Village of Casnovia
NOTES TO FINANCIAL STATEMENTS (*Continued*)

NOTE 2 - CASH:

Deposits are comprised of individual and pooled cash accounts. The pooled account is available for use by all funds of the Village. Each fund's portion of this pool is included in cash on the combined balance sheet. Interest earned on the pooled cash account is allocated based upon proportionate balances, by fund. Deposits are carried at cost and are maintained at one financial institution in the name of the Village. Michigan Compiled Laws, Section 129.91, authorizes the Village to deposit and invest in the accounts of federally-insured banks, credit unions, and savings and loan associations. The Village's deposits are in accordance with statutory authority. At June 30, 2004, the Village has deposits with a carrying amount of \$111,146 and a bank balance of \$111,374. The bank balance is covered by federal depository insurance.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES:

The amounts of interfund receivables and payables at June 30, 2004, are as follows:

<u>Fund</u>	<u>Interfund receivable</u>	<u>Fund</u>	<u>Interfund payable</u>
Internal service	<u>\$5,564</u>	Major Street	\$5,009
		Local Street	<u>555</u>
			<u>\$5,564</u>

NOTE 4 - FIXED ASSETS:

A summary of proprietary fund type fixed assets at June 30, 2004, is as follows:

	<u>Enterprise</u>	<u>Internal service</u>
Buildings	\$ 31,684	\$ -
Sewer system	469,447	-
Vehicles	-	27,214
Machinery and equipment	<u>42,468</u>	<u>38,334</u>
Total cost	543,599	65,548
Less accumulated depreciation	<u>495,539</u>	<u>58,264</u>
Net book value	<u>\$ 48,060</u>	<u>\$ 7,284</u>

NOTE 5 - CLAIMS ARISING FROM RISKS OF LOSS:

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and medical claims; injuries to employees; and natural disasters. The risks of loss arising from general liability up to \$2,000,000, building contents, employees' health insurance, workers' compensation, and casualty are managed through purchased commercial insurance.

Village of Casnovia
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 - CONSTRUCTION CODE ACT:

A summary of construction code enforcement transactions for the year ended June 30, 2004, follows:

Permit revenues	\$64
Inspection expenses	<u>(32)</u>
Excess of revenues over expenses	<u>\$32</u>

NOTE 7 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Village's actual expenditures and budgeted expenditures for the budgetary funds have been presented on a functional basis. The approved budgets of the Village for these budgetary funds were adopted at the activity level.

The following schedule sets forth significant budget variations:

<u>Fund</u>	<u>Activity</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
General	General administration	\$1,500	\$2,622	\$1,122

NOTE 8 - SELECTED SEGMENT INFORMATION:

Selected segment information of the sole enterprise fund is as follows: a) working capital - \$25,311; and b) total equity - \$73,371.

SUPPLEMENTARY INFORMATION

Village of Casnovia**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - General Fund***Year ended June 30, 2004*

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Taxes	\$ 40,000	\$ 46,133	\$ 6,133
Licenses and permits	573	1,364	791
State grants	35,000	29,147	(5,853)
Interest and rentals	2,200	3,096	896
Other	427	2,244	1,817
Total revenues	<u>78,200</u>	<u>81,984</u>	<u>3,784</u>
EXPENDITURES:			
Legislative - Village Council	<u>8,400</u>	<u>8,175</u>	<u>225</u>
General government:			
Elections	1,200	928	272
Auditing	1,800	1,750	50
Legal	6,000	979	5,021
Clerk	5,500	4,840	660
Treasurer	5,500	4,840	660
Buildings and grounds	17,300	16,612	688
Insurance	8,000	8,012	(12)
General administration	1,500	2,622	(1,122)
Total general government	<u>46,800</u>	<u>40,583</u>	<u>6,217</u>
Public safety:			
Inspections	500	32	468
Fire protection	6,000	5,704	296
Total public safety	<u>6,500</u>	<u>5,736</u>	<u>764</u>
Public Works			
Street lighting	6,000	5,849	151
Sanitation	12,000	11,238	762
Total public works	<u>18,000</u>	<u>17,087</u>	<u>913</u>
Capital Outlay	<u>8,000</u>	<u>7,393</u>	<u>607</u>
Total expenditures	<u>87,700</u>	<u>78,974</u>	<u>8,726</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,500)	3,010	12,510
FUND BALANCE - BEGINNING OF YEAR	<u>47,692</u>	<u>47,692</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 38,192</u>	<u>\$ 50,702</u>	<u>\$ 12,510</u>

Village of Casnovia
COMBINING BALANCE SHEET - special revenue funds
June 30, 2004

	<u>Major Street</u>	<u>Local Street</u>	<u>Totals (memorandum only)</u>
ASSETS			
Cash	\$ 18,458	\$ 3,761	\$ 22,219
Due from other governmental units	<u>5,534</u>	<u>901</u>	<u>6,435</u>
TOTAL ASSETS	<u>\$ 23,992</u>	<u>\$ 4,662</u>	<u>\$ 28,654</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES -			
Due to other funds	\$ 5,009	\$ 555	\$ 5,564
FUND BALANCE -			
Unreserved, undesignated	<u>18,983</u>	<u>4,107</u>	<u>23,090</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 23,992</u>	<u>\$ 4,662</u>	<u>\$ 28,654</u>

Village of Casnovia**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - *special revenue funds****Year ended June 30, 2004*

	<i>Major Street</i>	<i>Local Street</i>	<i>Totals (memorandum only)</i>
REVENUES:			
State grants	\$ 33,048	\$ 4,874	\$ 37,922
Interest	<u>90</u>	<u>16</u>	<u>106</u>
Total revenues	33,138	4,890	38,028
EXPENDITURES - Public works	<u>34,331</u>	<u>4,202</u>	<u>38,533</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,193)	688	(505)
FUND BALANCE - BEGINNING OF YEAR	<u>20,176</u>	<u>3,419</u>	<u>23,595</u>
FUND BALANCE - END OF YEAR	<u>\$ 18,983</u>	<u>\$ 4,107</u>	<u>\$ 23,090</u>

Village of Casnovia**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - Major Street Fund***Year ended June 30, 2004*

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
State grants	\$ 30,000	\$ 33,048	\$ 3,048
Interest	100	90	(10)
Total revenues	<u>30,100</u>	<u>33,138</u>	<u>3,038</u>
EXPENDITURES:			
Public works:			
Routine maintenance	30,000	26,688	3,312
Traffic services	1,000	98	902
Winter maintenance	8,500	5,897	2,603
Administration	<u>2,000</u>	<u>1,648</u>	<u>352</u>
Total expenditures	<u>41,500</u>	<u>34,331</u>	<u>7,169</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(11,400)	(1,193)	10,207
FUND BALANCE - BEGINNING OF YEAR	<u>20,176</u>	<u>20,176</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,776</u>	<u>\$ 18,983</u>	<u>\$ 10,207</u>

Village of Casnovia**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - Local Street Fund***Year ended June 30, 2004*

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
State grants	\$ 4,800	\$ 4,874	\$ 74
Interest	15	16	1
Total revenues	<u>4,815</u>	<u>4,890</u>	<u>75</u>
EXPENDITURES:			
Public works:			
Routine maintenance	1,800	1,589	211
Traffic services	200	-	200
Winter maintenance	1,000	843	157
Administration	<u>1,950</u>	<u>1,770</u>	<u>180</u>
Total expenditures	<u>4,950</u>	<u>4,202</u>	<u>748</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(135)	688	823
FUND BALANCE - BEGINNING OF YEAR	<u>3,419</u>	<u>3,419</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,284</u>	<u>\$ 4,107</u>	<u>\$ 823</u>